

2013 Morgan County Property Tax Report with Comparison to 2012

Legislative Services Agency

September 2013



This report describes property tax changes in Morgan County between 2012 and 2013.

Property tax changes in 2013 were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. However, three statewide trends affected a large number of counties.

- First, pay-2013 was a statewide reassessment year. In past reassessments there were double-digit percentage increases in assessed values, but this time assessments were almost unchanged statewide. The difference was trending, which has been adjusting assessments annually since 2007. Few counties experienced large assessment increases in 2013. Many experienced assessment decreases.
- Second, farmland assessments continued to rise, with the base rate of an acre increasing 8.7% from \$1,500 to \$1,630. High commodity prices and low interest rates were the reason. Rising farmland assessments were especially important in rural counties, where farmland is a larger part of total assessed value.
- Third, many local income tax credit rates increased substantially. This was due to a corrected distribution of local income tax revenues to local governments. Extra income tax revenue was applied to tax credits in 2013. This may mean that credit rates will fall (and tax bills will rise) in 2014.

Still, local factors were most influential in individual counties in 2013. Here is what affected taxes in Morgan County.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2013	-11.5%	\$39,156,844	\$2,844,241,351	0.1%
Change		-0.5%	-2.0%	
2012	-2.6%	\$39,358,199	\$2,902,935,233	0.1%

Comparable Homestead Property Tax Changes in Morgan County

The total tax bill for all taxpayers in Morgan County decreased by 11.5% in 2013. The reasons were a large increase in local income tax-funded property tax credit rates and a 0.5% decrease in the property tax levy. In this reassessment year, certified net assessed value fell by 2.0%. Morgan County's tax rates are too low for any taxpayers other than certain elderly homeowners to qualify for tax cap credits.

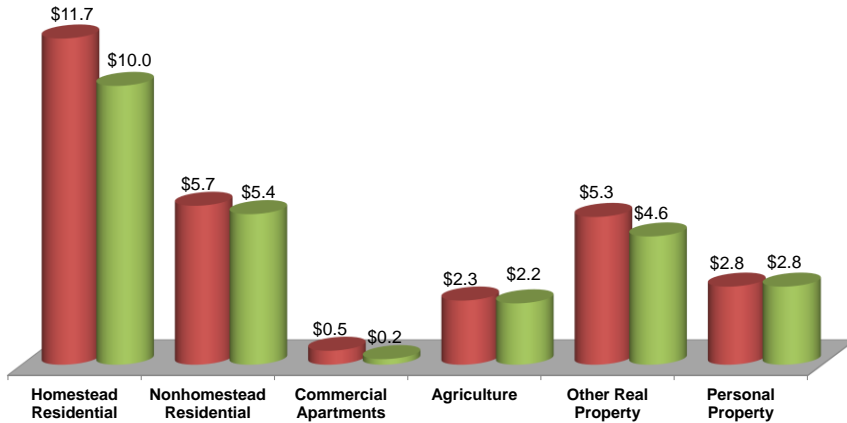
Morgan County homeowners experienced a large 14.0% decrease in property tax bills in 2013. This was due to a large increase in local property tax credits and a decline in homestead net assessed value. These factors more than offset a small increase in property tax rates. Statewide, the average homeowner's tax bill was almost unchanged.

	2012 to 2013	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	3,530	18.5%
No Change	146	0.8%
Lower Tax Bill	15,394	80.7%
Average Change in Tax Bill	-14.0%	
Detailed Change in Tax Bill		
20% or More	808	4.2%
10% to 19%	779	4.1%
1% to 9%	1,943	10.2%
-1% to 1%	146	0.8%
-1% to -9%	3,512	18.4%
-10% to -19%	4,911	25.8%
-20% or More	6,971	36.6%
Total	19,070	100.0%

Note: Percentages may not total due to rounding.

Comparison of Net Property Tax by Property Type (In Millions)

■ 2012 - Total \$28.3 ■ 2013 - Total \$25.2



In Morgan County most net property taxes were paid by homestead and business (other real and personal) property owners in 2013. Total net property taxes decreased 11.5%, compared to an average 2.1% increase statewide. Net taxes on all categories of property decreased. Commercial apartment net taxes decreased by the largest percentage.

Property tax rates increased in 15 of 21 Morgan County tax districts in 2013. The average tax rate rose by 1.5% because a small levy decrease was offset by a larger decrease in certified net assessed value. Statewide, the average tax rate increased by 4.2%.

The total levies of all government units in Morgan County decreased by 0.5%, compared to a 3.7% statewide levy increase. Detailed levy changes for local governments in Morgan County are included in a later table.

Property Type	Gross AV Pay 2012	Gross AV Pay 2013	Gross AV Change	Net AV Pay 2012	Net AV Pay 2013	Net AV Change
Homesteads	\$3,021,091,133	\$2,950,308,030	-2.3%	\$1,401,745,328	\$1,368,153,558	-2.4%
Other Residential	636,860,297	636,160,015	-0.1%	634,008,364	632,336,413	-0.3%
Ag Business/Land	301,925,581	313,822,694	3.9%	300,878,523	312,506,306	3.9%
Business Real/Personal	887,190,243	886,578,042	-0.1%	701,674,792	699,969,508	-0.2%
Total	\$4,847,067,254	\$4,786,868,781	-1.2%	\$3,038,307,007	\$3,012,965,785	-0.8%

Net AV equals gross AV less deductions and exemptions. Certified net AV is set with the budget, certified by the county auditor and used to calculate tax rates. It may be adjusted by the auditor to account for appeals. Net AV in the above table is summed from tax bills. It includes TIF allocations while Certified net AV does not. Gross AV also is summed from tax bills. Circuit breaker tax caps are calculated on gross AV.

Morgan County's total billed net assessed value decreased slightly, by 0.8% in 2013. Declines in homestead assessments were the main reason. Net assessed value for all of Indiana was nearly unchanged, rising by only 0.1%.

Tax Cap Category	2012	2013	Difference	% Change
1%	\$0	\$0	\$0	0.0%
2%	0	0	0	0.0%
3%	0	0	0	0.0%
Elderly	40,662	22,294	-18,368	-45.2%
Total	\$40,662	\$22,294	-\$18,368	-45.2%
% of Levy	0.1%	0.1%		

Total tax cap credits in Morgan County were \$22,294, which was only 0.1% of the levy. This was one of the smallest credit percentages in the state. The state average was 10.9%, and the median or typical county saw credits equal to 4.2% of its levy. Tax rates were the main determinant of tax cap credits. Morgan

County's average tax rate was much less than the median rate statewide. Morgan County's particularly small tax cap credit amounts were mainly due to its large local property tax credits, however. All of Morgan County's tax cap credits were in the elderly category, which limits homestead property tax increases to 2% per year for some homeowners 65 years of age or older. A later table shows tax cap credits by category for each local government unit.

Tax cap credits in Morgan County decreased \$18,368 between 2012 and 2013. Credits as a share of the total levy were effectively unchanged.

Morgan County Levy Comparison by Taxing Unit

Taxing Unit	2009	2010	2011	2012	2013	% Change			
						2009 - 2010	2010 - 2011	2011 - 2012	2012 - 2013
County Total	42,812,773	41,351,639	39,735,490	39,358,199	39,156,844	-3.4%	-3.9%	-0.9%	-0.5%
Morgan County	6,700,796	6,678,579	6,471,922	6,656,431	6,334,125	-0.3%	-3.1%	2.9%	-4.8%
Adams Township	26,286	26,033	25,062	25,263	24,677	-1.0%	-3.7%	0.8%	-2.3%
Ashland Township	30,626	30,580	29,536	29,349	28,674	-0.2%	-3.4%	-0.6%	-2.3%
Baker Township	20,913	20,948	20,273	2,628	20,977	0.2%	-3.2%	-87.0%	698.2%
Brown Township	718,104	704,897	686,950	636,976	634,157	-1.8%	-2.5%	-7.3%	-0.4%
Clay Township	78,006	77,638	74,197	73,207	70,703	-0.5%	-4.4%	-1.3%	-3.4%
Green Township	105,522	151,934	174,652	184,628	210,293	44.0%	15.0%	5.7%	13.9%
Gregg Township	182,463	381,002	62,483	143,523	136,273	108.8%	-83.6%	129.7%	-5.1%
Harrison Township	8,420	8,584	8,203	8,256	8,074	1.9%	-4.4%	0.6%	-2.2%
Jackson Township	196,737	209,160	158,268	126,746	93,401	6.3%	-24.3%	-19.9%	-26.3%
Jefferson Township	67,524	66,661	64,179	43,664	45,789	-1.3%	-3.7%	-32.0%	4.9%
Madison Township	1,414,838	1,490,397	852,699	900,303	701,013	5.3%	-42.8%	5.6%	-22.1%
Monroe Township	38,845	38,360	37,449	37,265	36,583	-1.2%	-2.4%	-0.5%	-1.8%
Ray Township	29,929	28,785	26,492	27,125	26,445	-3.8%	-8.0%	2.4%	-2.5%
Washington Township	599,317	721,117	696,311	574,394	559,725	20.3%	-3.4%	-17.5%	-2.6%
Martinsville Civil City	5,052,184	3,418,772	3,558,101	4,147,001	4,045,968	-32.3%	4.1%	16.6%	-2.4%
Mooresville Civil Town	2,742,984	2,758,854	2,658,848	2,795,955	2,682,126	0.6%	-3.6%	5.2%	-4.1%
Bethany Civil Town	6,042	6,042	5,839	5,839	5,746	0.0%	-3.4%	0.0%	-1.6%
Brooklyn Civil Town	123,966	123,988	119,571	121,621	117,123	0.0%	-3.6%	1.7%	-3.7%
Morgantown Civil Town	177,861	178,027	171,163	174,637	168,151	0.1%	-3.9%	2.0%	-3.7%
Paragon Civil Town	55,908	55,896	55,656	55,890	60,529	0.0%	-0.4%	0.4%	8.3%
Monrovia Civil Town	66,855	68,992	62,110	62,096	61,070	3.2%	-10.0%	0.0%	-1.7%
Nineveh-Hensley-Jackson United Sch Corp	1,272,666	1,485,658	1,374,792	1,267,250	1,468,875	16.7%	-7.5%	-7.8%	15.9%
Monroe-Gregg School Corp	4,221,837	3,899,641	3,710,012	3,265,614	3,172,151	-7.6%	-4.9%	-12.0%	-2.9%
Eminence Consolidated School Corp	1,223,272	1,253,868	1,259,629	1,089,349	974,570	2.5%	0.5%	-13.5%	-10.5%
M.S.D. Martinsville School Corp	7,414,586	7,517,195	7,573,599	7,020,490	7,817,895	1.4%	0.8%	-7.3%	11.4%
Mooresville Consolidated School Corp	7,970,569	7,701,503	7,927,049	7,863,067	7,794,286	-3.4%	2.9%	-0.8%	-0.9%
Morgan County Public Library	1,119,918	1,093,898	1,067,349	1,168,044	1,062,281	-2.3%	-2.4%	9.4%	-9.1%
Mooresville Public Library	675,108	704,665	544,837	730,494	666,033	4.4%	-22.7%	34.1%	-8.8%
Harrison Township Fire #7	43,552	45,141	44,145	44,033	43,538	3.6%	-2.2%	-0.3%	-1.1%
West Central Indiana Solid Waste Mgmt Dist	0	0	0	0	0				
Monroe Township Fire District	427,139	404,824	214,114	77,061	85,593	-5.2%	-47.1%	-64.0%	11.1%
Morgan County Solid Waste Mgmt Dist	0	0	0	0	0				
Town of Mooresville Redevelopment	0	0	0	0	0				

Morgan County 2013 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	LOIT PTRC	Credit Rates				LOIT Residential	Net Tax Rate, Homesteads
				COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead		
55001	Adams Township	0.9587	37.5360%	--	15.2421%	--	--	--	0.4527
55002	Ashland Township	0.9616	37.5360%	--	1.7559%	--	--	--	0.5838
55003	Baker Township	0.9774	37.5360%	--	6.1387%	--	--	--	0.5505
55004	Brown Township	1.5688	37.5360%	--	1.6783%	--	--	--	0.9536
55005	Mooresville Town	1.8434	37.5360%	--	30.6561%	--	--	--	0.5863
55006	Clay Township	0.9667	37.5360%	--	10.8242%	--	--	--	0.4992
55007	Bethany Town	1.4294	37.5360%	--	0.3609%	--	--	--	0.8877
55008	Brooklyn Town	1.3027	37.5360%	--	0.5658%	--	--	--	0.8063
55009	Green Township	1.0403	37.5360%	--	1.2436%	--	--	--	0.6369
55010	Gregg Township	1.3617	37.5360%	--	2.5463%	--	--	--	0.8159
55011	Harrison Township	1.1275	37.5360%	--	6.6938%	--	--	--	0.6288
55012	Jackson Township	1.2110	37.5360%	--	1.5065%	--	--	--	0.7382
55013	Morgantown Town	1.8661	37.5360%	--	46.7400%	--	--	--	0.2934
55014	Jefferson Township	0.9472	37.5360%	--	2.7865%	--	--	--	0.5653
55015	Madison Township	1.2343	37.5360%	--	1.8197%	--	--	--	0.7485
55016	Monroe Township	1.3120	37.5360%	--	5.0478%	--	--	--	0.7533
55018	Ray Township	0.9729	37.5360%	--	5.2731%	--	--	--	0.5564
55019	Paragon Town	1.4231	37.5360%	--	1.6379%	--	--	--	0.8656
55020	Washington Township	1.0610	37.5360%	--	4.9660%	--	--	--	0.6101
55021	Martinsville City	2.0545	37.5360%	--	39.7613%	--	--	--	0.4664
55022	Monrovia Town	1.4782	37.5360%	--	5.3865%	--	--	--	0.8437

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.
The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.
The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Morgan County 2013 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	0	0	0	22,294	22,294	39,156,844	0.1%
<i>TIF Total</i>	0	0	0	1	1	2,008,659	0.0%
<i>County Total</i>	0	0	0	22,294	22,294	41,165,503	0.1%
Morgan County	0	0	0	3,520	3,520	6,334,125	0.1%
Adams Township	0	0	0	7	7	24,677	0.0%
Ashland Township	0	0	0	19	19	28,674	0.1%
Baker Township	0	0	0	20	20	20,977	0.1%
Brown Township	0	0	0	185	185	634,157	0.0%
Clay Township	0	0	0	60	60	70,703	0.1%
Green Township	0	0	0	185	185	210,293	0.1%
Gregg Township	0	0	0	31	31	136,273	0.0%
Harrison Township	0	0	0	10	10	8,074	0.1%
Jackson Township	0	0	0	53	53	93,401	0.1%
Jefferson Township	0	0	0	28	28	45,789	0.1%
Madison Township	0	0	0	270	270	701,013	0.0%
Monroe Township	0	0	0	3	3	36,583	0.0%
Ray Township	0	0	0	17	17	26,445	0.1%
Washington Township	0	0	0	298	298	559,725	0.1%
Martinsville Civil City	0	0	0	4,738	4,738	4,045,968	0.1%
Mooreville Civil Town	0	0	0	388	388	2,682,126	0.0%
Bethany Civil Town	0	0	0	0	0	5,746	0.0%
Brooklyn Civil Town	0	0	0	335	335	117,123	0.3%
Morgantown Civil Town	0	0	0	162	162	168,151	0.1%
Paragon Civil Town	0	0	0	61	61	60,529	0.1%
Monrovia Civil Town	0	0	0	0	0	61,070	0.0%
Nineveh-Hensley-Jackson United Sch Corp	0	0	0	872	872	1,468,875	0.1%
Monroe-Gregg School Corp	0	0	0	425	425	3,172,151	0.0%
Eminence Consolidated School Corp	0	0	0	472	472	974,570	0.0%
M.S.D. Martinsville School Corp	0	0	0	6,614	6,614	7,817,895	0.1%
Mooreville Consolidated School Corp	0	0	0	2,659	2,659	7,794,286	0.0%
Morgan County Public Library	0	0	0	677	677	1,062,281	0.1%
Mooreville Public Library	0	0	0	129	129	666,033	0.0%
Harrison Township Fire #7	0	0	0	51	51	43,538	0.1%
West Central Indiana Solid Waste Mgt Dist	0	0	0	0	0	0	
Monroe Township Fire District	0	0	0	7	7	85,593	0.0%
Morgan County Solid Waste Mgmt Dist	0	0	0	0	0	0	
Town Of Mooreville Redevelopment	0	0	0	0	0	0	
TIF - Mooreville TIFs	0	0	0	1	1	1,884,212	0.0%
TIF - Westpoint TIF	0	0	0	0	0	987	0.0%
TIF - Martinsville TIFs	0	0	0	0	0	123,460	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.